Transcript: How to Secure Your First Rent2Rent (Exact Steps) | Samuel Leeds

Video ID: d9Cw8tf5doE

Extraction Date: 2025-04-02 06:46:44

**[00:00:00]** hey my name's Samuel Leeds and in this

**[00:00:02]** video I'm gonna give you exactly what

**[00:00:04]** you need to know to do your first rent

**[00:00:06]** to rent deal rent to rent is when you

**[00:00:09]** control property without owning it and

**[00:00:12]** this is what a lot of very successful

**[00:00:13]** companies do Amazon don't own their

**[00:00:15]** stock Buber don't earn their taxis

**[00:00:17]** Airbnb don't own their hotels but

**[00:00:20]** they're wildly rich because they know

**[00:00:22]** how to control and as a property

**[00:00:24]** entrepreneur you can control property

**[00:00:26]** without owning it and in this video I'm

**[00:00:28]** gonna give you these seven phases but

**[00:00:31]** you should walk through an afternoon in

**[00:00:32]** the right order as well so I'm gonna

**[00:00:34]** give you the seven steps in the correct

**[00:00:36]** order that should really help you secure

**[00:00:39]** your first rent to rent deal number one

**[00:00:42]** is market research before you start

**[00:00:45]** sending out letters speaking to

**[00:00:47]** landlords meeting agents and asking them

**[00:00:49]** if they do corporate let's you want to

**[00:00:51]** have a bit of an idea about whether this

**[00:00:53]** area is a good area or not for what

**[00:00:55]** you're trying to do so market research

**[00:00:57]** what does that mean that means looking

**[00:00:58]** at the supply and the demand

**[00:01:01]** what's the supply and demand you can get

**[00:01:03]** a deal and you can get an agent to say

**[00:01:05]** yes or a landlord to say yes but if the

**[00:01:08]** area's rubbish and if there's no real

**[00:01:10]** demand then it sucks or if there's

**[00:01:13]** demands but there's why more supply then

**[00:01:16]** it's not going to make you any money so

**[00:01:18]** the first thing is do your market

**[00:01:19]** research talk to people like hmm

**[00:01:23]** management companies talk to investors

**[00:01:25]** that are already doing it go on spare

**[00:01:27]** room and have a look at the occupancy

**[00:01:29]** rates and have a look how many rooms are

**[00:01:31]** available how many rooms are want it

**[00:01:33]** speeds are companies like a vivo and

**[00:01:35]** different channel managers for serviced

**[00:01:37]** accommodation if you're wanting to rent

**[00:01:38]** the property out serviced accommodation

**[00:01:39]** through air B&B what's the what's the

**[00:01:42]** market like you're gonna need all this

**[00:01:44]** stuff if you're doing a service

**[00:01:46]** accommodation which is basically almost

**[00:01:47]** like a hotel with no staff go to the

**[00:01:51]** hotels in the area and see what their

**[00:01:53]** occupancy rates are like just walk in

**[00:01:55]** and ask and honestly they'll they'll be

**[00:01:57]** some shocking how much they tell you I

**[00:01:59]** do it all the time I just walk into an

**[00:02:01]** area and I say I say to the customer

**[00:02:03]** service person on the desk you know hey

**[00:02:05]** what's going on if you got any rooms

**[00:02:06]** available tonight and they'll say yes or

**[00:02:08]** no and then I'll say the reason I'm

**[00:02:09]** asking is because I'm not looking for a

**[00:02:11]** room

**[00:02:12]** actually I'm doing some market research

**[00:02:13]** about how popular the hotels are in this

**[00:02:16]** area what you know what what typically

**[00:02:18]** is your occupancy right

**[00:02:19]** when are you busiest it's questions this

**[00:02:22]** is all market research when you know

**[00:02:24]** that that serviced accommodation is

**[00:02:26]** going to work well you know that you're

**[00:02:27]** gonna rent rooms out well and there is a

**[00:02:29]** demand then you can start moving on to

**[00:02:33]** phase two and phase two is what I call

**[00:02:35]** felis what I mean by Felix Feliz is then

**[00:02:39]** when you start putting out feelers to

**[00:02:41]** the local landlords investors to estate

**[00:02:45]** agents asking the question about whether

**[00:02:47]** basically whether they're open to rent

**[00:02:49]** to rent or not and what most people do

**[00:02:52]** is they don't put feelers out they try

**[00:02:54]** and close the deal so they'll be they

**[00:02:57]** Davie do the market research thing I've

**[00:02:58]** got a deal and I've got a deal and deals

**[00:03:00]** in a bad area once you know the areas

**[00:03:02]** good for what you're trying to do put

**[00:03:03]** feelers out so say things like to an

**[00:03:06]** agent hey would you be open to me giving

**[00:03:10]** a guaranteed rent to your landlords and

**[00:03:13]** inventing the property out as a serviced

**[00:03:15]** accommodation or as a corporate letter

**[00:03:17]** or speak to tired

**[00:03:19]** hmm landlords would you be open to the

**[00:03:21]** idea of me giving you a guaranteed rent

**[00:03:24]** and then me running this property as a

**[00:03:25]** hmm myself you know that's called

**[00:03:28]** feelers

**[00:03:28]** would you be open would I use that I use

**[00:03:31]** that line all the time would you be open

**[00:03:32]** if you speak to people and they're like

**[00:03:34]** no I wouldn't be open and everyone's oh

**[00:03:36]** no no no no no and you then I wouldn't

**[00:03:39]** say give up but what I would say is it

**[00:03:41]** might be that in that area people are

**[00:03:43]** quite closed-minded it might be that in

**[00:03:45]** that area there's been a million

**[00:03:46]** motivate idiots running around trying to

**[00:03:49]** do rent to rents and now the agents and

**[00:03:51]** the landlords I just closed minded to it

**[00:03:53]** all so so so that's probably a bad sign

**[00:03:55]** and this does happen in some areas but

**[00:03:57]** if people are saying yeah be open to

**[00:04:00]** that yeah that sounds interesting tell

**[00:04:02]** me more or if the figures are right I

**[00:04:04]** guess so now you're beginning to do well

**[00:04:08]** in Phase two because you've done phase

**[00:04:09]** one which is your market research and

**[00:04:11]** you know the area's good number two you

**[00:04:13]** put feelers out to the agents into the

**[00:04:15]** landlords and people are coming back

**[00:04:18]** people are saying yes they'd be open to

**[00:04:20]** it which means you can move to Phase

**[00:04:21]** three now as a disclaimer if you do

**[00:04:24]** phase two and you

**[00:04:25]** really rubbish and you're saying all the

**[00:04:26]** wrong words then you might think all

**[00:04:29]** this area's closed-minded it's not

**[00:04:30]** closed-minded its closed-minded to you

**[00:04:32]** because you're not very good because you

**[00:04:33]** haven't been trained so make sure that

**[00:04:35]** you possess if you haven't got the

**[00:04:38]** skills you got to be really persistent

**[00:04:40]** so that's really important

**[00:04:41]** rocket research is good just the supply

**[00:04:44]** and demand is showing positive you put

**[00:04:47]** feeders out and people are beginning to

**[00:04:48]** come back and they're interested then

**[00:04:50]** that's when you're going to move to

**[00:04:51]** phase three phase three is when you're

**[00:04:53]** gonna start putting some offers forward

**[00:04:55]** now when you put an offer full would

**[00:04:56]** always do what I call and if would offer

**[00:04:59]** I talked about this in another video you

**[00:05:01]** can check it out in the link above I

**[00:05:02]** talked about negotiations but phase

**[00:05:04]** three you're going to put if would

**[00:05:05]** offers which is if I was to give you

**[00:05:08]** five hundred pounds a month

**[00:05:09]** guaranteed rent and then I would then

**[00:05:13]** rent it out myself would that be

**[00:05:15]** something that you could work with as an

**[00:05:17]** if would offer it's not an here's my

**[00:05:20]** proposal it's if I could offer this on

**[00:05:23]** this basis would that be something that

**[00:05:26]** you could go with if when you start

**[00:05:29]** having people say yes boom shacka you've

**[00:05:32]** completed phase three phase three is

**[00:05:34]** you've now got some really hot leads all

**[00:05:37]** this deals on the table which is when

**[00:05:40]** you're gonna move into phase four phase

**[00:05:42]** four is when you're going to do your due

**[00:05:44]** diligence

**[00:05:45]** now market research and due diligence so

**[00:05:47]** for two different things market research

**[00:05:49]** tends to be if you're looking at the

**[00:05:50]** area as a whole if you're looking at a

**[00:05:51]** patch or strategy as a whole due

**[00:05:53]** diligence is when you're looking in and

**[00:05:55]** you're honing down to a particular

**[00:05:56]** person or particular house once you've

**[00:05:59]** done your market research the area is

**[00:06:00]** generally good you've put feelers out

**[00:06:02]** people are interested you then put

**[00:06:03]** forward some offers some if would offers

**[00:06:05]** and you've had people coming back saying

**[00:06:07]** yes then before you sign on the dotted

**[00:06:10]** line or anything like that you're then

**[00:06:12]** gonna move to phase 4 which is right

**[00:06:14]** this person has said that he's up for me

**[00:06:17]** paying him 500 pound a month and then me

**[00:06:20]** running it as a serviced accommodation

**[00:06:21]** or me them really good HMO I learned in

**[00:06:23]** my due diligence I've got to work out

**[00:06:24]** the legalities I've got to check if it's

**[00:06:26]** an apartment the head least I've got to

**[00:06:28]** make sure what I know that this area

**[00:06:30]** will rent out people do serviced

**[00:06:33]** accommodation rent to service

**[00:06:34]** accommodation without doing due

**[00:06:36]** diligence what happens is they end up

**[00:06:37]** paying someone's

**[00:06:39]** but they can't rent it themselves

**[00:06:40]** they're down each month big problem do

**[00:06:43]** your due diligence make sure that you're

**[00:06:44]** really honing on that particular

**[00:06:45]** property speak to people if it's a

**[00:06:47]** service accommodation speak to a vivo if

**[00:06:49]** it's a hmm speak to different HMO

**[00:06:50]** managers and make sure that you do due

**[00:06:53]** diligence on the property before you can

**[00:06:55]** move on to Phase five phase five is do a

**[00:06:58]** best case worst case breakdown workout

**[00:07:02]** I've done my due diligence I know that

**[00:07:05]** this is good but what is the worst case

**[00:07:08]** what if now be realistic when you do

**[00:07:10]** don't say what if I fall out with the

**[00:07:13]** landlord and then he comes around my

**[00:07:14]** house and kills me and my children

**[00:07:16]** because that's just that's just

**[00:07:17]** ridiculous you know or what if I do this

**[00:07:20]** and then my parents don't like that I'm

**[00:07:22]** successful and then and then they fall

**[00:07:23]** out with me like what's the worst case

**[00:07:26]** that could happen on this deal

**[00:07:28]** financially that could hurt me what's

**[00:07:31]** the worst case look at the worst case

**[00:07:33]** and then you just got to protect

**[00:07:35]** yourself if the worst case is that the

**[00:07:37]** worst case is that I will not be able to

**[00:07:41]** rent it out then put in a break clause

**[00:07:44]** in the agreement where you say look

**[00:07:45]** after three months or six months mr.

**[00:07:48]** landlord if I miscalculated this

**[00:07:51]** property and it's not renting out and

**[00:07:52]** this doesn't work at all as HMO I'd like

**[00:07:54]** the opportunity to be able to give you

**[00:07:55]** the keys back

**[00:07:56]** they'll be understanding of that if

**[00:07:58]** you've been up front from the first

**[00:07:59]** place and said you wonder when it's a

**[00:08:00]** HMO off them all I find is because they

**[00:08:03]** want they guaranteed rent they go yeah

**[00:08:04]** it would definitely work with HMO and

**[00:08:05]** they sell me on the idea

**[00:08:07]** they sell me they're the one that wants

**[00:08:09]** to rent the house out there the what the

**[00:08:10]** one's guaranteed rent don't feel like

**[00:08:13]** you're the dirty little person coming

**[00:08:14]** along trying to do something conniving

**[00:08:16]** no you're offering a great service so

**[00:08:19]** the landlord will often say to you yeah

**[00:08:21]** work and then you can say look I know

**[00:08:23]** you've said it will work I've spoke to

**[00:08:24]** different people who said it's gonna

**[00:08:25]** work but if for ever reason and I've

**[00:08:27]** miscalculated something and this

**[00:08:28]** particular property just doesn't work I

**[00:08:30]** just want to break claws just to make

**[00:08:31]** sure that I'm not and then after three

**[00:08:33]** months or six months after the break

**[00:08:36]** doors is done then for the rest of the

**[00:08:38]** term however long will turn might be

**[00:08:40]** three years five years you get you

**[00:08:41]** guaranteed rent the worst case might be

**[00:08:44]** something different the worst case might

**[00:08:45]** be that you are dealing with a landlord

**[00:08:49]** who's doing something illegal and you

**[00:08:50]** getting wrapped up in that case protect

**[00:08:52]** yourself get a solicitor bring a

**[00:08:54]** solicitor involved and just say look you

**[00:08:56]** know can you check over the legals

**[00:08:57]** whatever the worst case is whatever the

**[00:08:58]** biggest threat is that could potentially

**[00:09:00]** hurt you you want to get that covered

**[00:09:02]** there's always in business going to be

**[00:09:03]** risk the definition of an entrepreneur

**[00:09:05]** is someone that takes risks but you

**[00:09:08]** really want to prevent anything from

**[00:09:09]** happening that could harm you and you

**[00:09:11]** want it you want to protect yourself so

**[00:09:12]** best case worst case so market research

**[00:09:16]** the area put some feelers out to the

**[00:09:18]** agents and the landlords then put some

**[00:09:20]** if would offers and get some offers in

**[00:09:21]** principle then do you do diligence hone

**[00:09:24]** in on that particular house holding on

**[00:09:25]** that particular landlord make sure

**[00:09:27]** everything it's all good next number

**[00:09:29]** five best case worst case best its

**[00:09:32]** commit optimist right you want to be an

**[00:09:33]** optimist you want to be able to look

**[00:09:34]** look this is the best case but at the

**[00:09:36]** same time as a businessman you've got to

**[00:09:39]** be negative sometimes you look at the

**[00:09:40]** worst case protect yourself put break

**[00:09:43]** clauses implies to recover the worst

**[00:09:44]** case number six once you've done these

**[00:09:46]** five things is you want to put the

**[00:09:48]** paperwork together get the contracts

**[00:09:49]** ready now if you're doing a rent to rent

**[00:09:51]** you need a special contract you don't

**[00:09:53]** just rent it off the landlord on a

**[00:09:55]** normal AST and then put someone else in

**[00:09:57]** on an AST that's called subletting which

**[00:10:00]** is actually illegal seems to make sure

**[00:10:01]** it's done with a management agreement

**[00:10:03]** and you can you can purchase these or

**[00:10:06]** you can get a solicitor to draw them up

**[00:10:07]** or if you're one of my students or

**[00:10:09]** certainly one of my advanced students

**[00:10:10]** you have all these sort of stuff given

**[00:10:12]** to you but make sure that you have the

**[00:10:13]** right contract in place once you've done

**[00:10:15]** that number seven which is what that's

**[00:10:17]** when the work begins roll your sleeves

**[00:10:20]** up and start managing that property and

**[00:10:22]** make it the best property you can now

**[00:10:24]** what I often say to guys is rent to rent

**[00:10:26]** is usually it can be but it is usually

**[00:10:29]** not passive income rent - rent can be

**[00:10:31]** massive income but not normally passive

**[00:10:34]** income now there's always an exception

**[00:10:36]** to the rule if you get set it up with

**[00:10:37]** really good power teams in place and a

**[00:10:39]** really good management company in place

**[00:10:40]** but what I would say is when you're

**[00:10:41]** starting out if went to rent it's a

**[00:10:44]** great strategy if you've got no money

**[00:10:44]** but if you've got no money and you've

**[00:10:47]** got no time and you've got no income to

**[00:10:51]** work then being financially free and

**[00:10:54]** property he's going to be seriously hard

**[00:10:56]** if you've got no money but you've got

**[00:10:58]** the inclination and you've got the time

**[00:11:00]** to put in then you can do this and at

**[00:11:03]** that point number

**[00:11:03]** there's go to work make it the best

**[00:11:06]** running property in the game get some

**[00:11:08]** experience ready for your next property

**[00:11:10]** where you can buy it using someone

**[00:11:11]** else's money or you can raise the

**[00:11:12]** finance whatever it all save the money

**[00:11:14]** off the rent to rent but be prepared to

**[00:11:16]** work the people that make it do rent to

**[00:11:18]** rents are always the people that

**[00:11:19]** prepared to work don't get me wrong if

**[00:11:21]** you want a passive income and you've got

**[00:11:22]** money in the account you can you can do

**[00:11:24]** that but starting with no money at all

**[00:11:26]** and not having time and wanting to pay a

**[00:11:30]** deal source of three thousand pounds to

**[00:11:33]** give you a rent to rent that's going to

**[00:11:34]** make a grand a month it's just not

**[00:11:36]** realistic it's just not going to happen

**[00:11:37]** and by the way now there's some very

**[00:11:39]** good deal sources out there but I

**[00:11:41]** personally would not pay for a deal and

**[00:11:44]** I wouldn't pay for a rent to rent deal

**[00:11:46]** because I've gone out we have a property

**[00:11:48]** investors Academy of all my advanced

**[00:11:50]** students and at the end of the

**[00:11:51]** graduation I say raise your hand if

**[00:11:53]** you're financially for it by the way

**[00:11:55]** eighty six percent eighty six percent

**[00:11:57]** success result we have with the Academy

**[00:11:59]** which is really high by the way there's

**[00:12:01]** other people have done deals then we do

**[00:12:03]** this thing where we say what's been the

**[00:12:04]** biggest mistakes what's been the biggest

**[00:12:05]** lessons I've been the biggest amount of

**[00:12:07]** money that you've lost and we go around

**[00:12:08]** every single time people's biggest

**[00:12:10]** mistake is paying deal sources for

**[00:12:13]** rental rents so I'm not saying don't do

**[00:12:15]** that but be super careful my opinion is

**[00:12:18]** if you're going to do a renter rent do

**[00:12:19]** it yourself to get the learning off it

**[00:12:21]** and the money but don't expect it to be

**[00:12:24]** passive and don't expect it to be easy

**[00:12:25]** it is very doable you can get high cash

**[00:12:27]** flow you can retire offers let those

**[00:12:29]** three or four rental rent deals but just

**[00:12:31]** be prepared to work I know you are

**[00:12:33]** because you got to the end of this video

**[00:12:34]** so you've paid to put the time in so

**[00:12:36]** congratulations for that if you found

**[00:12:37]** this video helpful please share it also

**[00:12:40]** I do a video every single day and the

**[00:12:42]** reason I keep doing more videos is

**[00:12:44]** because I know that people are watching

**[00:12:45]** them and I know that people benefit from

**[00:12:47]** them so if you benefited please do let

**[00:12:49]** me know just drop a comment below and

**[00:12:51]** subscribe I'm trying to get hit my

**[00:12:53]** subscribers to one hundred thousand when

**[00:12:55]** that happens I'm gonna start doing some

**[00:12:56]** crazy stuff so thanks so much and I look

**[00:13:00]** forward to seeing you tomorrow on the

**[00:13:01]** next video

**[00:13:20]** you

# Full Text (without timestamps)

hey my name's Samuel Leeds and in this video I'm gonna give you exactly what you need to know to do your first rent to rent deal rent to rent is when you control property without owning it and this is what a lot of very successful companies do Amazon don't own their stock Buber don't earn their taxis Airbnb don't own their hotels but they're wildly rich because they know how to control and as a property entrepreneur you can control property without owning it and in this video I'm gonna give you these seven phases but you should walk through an afternoon in the right order as well so I'm gonna give you the seven steps in the correct order that should really help you secure your first rent to rent deal number one is market research before you start sending out letters speaking to landlords meeting agents and asking them if they do corporate let's you want to have a bit of an idea about whether this area is a good area or not for what you're trying to do so market research what does that mean that means looking at the supply and the demand what's the supply and demand you can get a deal and you can get an agent to say yes or a landlord to say yes but if the area's rubbish and if there's no real demand then it sucks or if there's demands but there's why more supply then it's not going to make you any money so the first thing is do your market research talk to people like hmm management companies talk to investors that are already doing it go on spare room and have a look at the occupancy rates and have a look how many rooms are available how many rooms are want it speeds are companies like a vivo and different channel managers for serviced accommodation if you're wanting to rent the property out serviced accommodation through air B&B what's the what's the market like you're gonna need all this stuff if you're doing a service accommodation which is basically almost like a hotel with no staff go to the hotels in the area and see what their occupancy rates are like just walk in and ask and honestly they'll they'll be some shocking how much they tell you I do it all the time I just walk into an area and I say I say to the customer service person on the desk you know hey what's going on if you got any rooms available tonight and they'll say yes or no and then I'll say the reason I'm asking is because I'm not looking for a room actually I'm doing some market research about how popular the hotels are in this area what you know what what typically is your occupancy right when are you busiest it's questions this is all market research when you know that that serviced accommodation is going to work well you know that you're gonna rent rooms out well and there is a demand then you can start moving on to phase two and phase two is what I call felis what I mean by Felix Feliz is then when you start putting out feelers to the local landlords investors to estate agents asking the question about whether basically whether they're open to rent to rent or not and what most people do is they don't put feelers out they try and close the deal so they'll be they Davie do the market research thing I've got a deal and I've got a deal and deals in a bad area once you know the areas good for what you're trying to do put feelers out so say things like to an agent hey would you be open to me giving a guaranteed rent to your landlords and inventing the property out as a serviced accommodation or as a corporate letter or speak to tired hmm landlords would you be open to the idea of me giving you a guaranteed rent and then me running this property as a hmm myself you know that's called feelers would you be open would I use that I use that line all the time would you be open if you speak to people and they're like no I wouldn't be open and everyone's oh no no no no no and you then I wouldn't say give up but what I would say is it might be that in that area people are quite closed-minded it might be that in that area there's been a million motivate idiots running around trying to do rent to rents and now the agents and the landlords I just closed minded to it all so so so that's probably a bad sign and this does happen in some areas but if people are saying yeah be open to that yeah that sounds interesting tell me more or if the figures are right I guess so now you're beginning to do well in Phase two because you've done phase one which is your market research and you know the area's good number two you put feelers out to the agents into the landlords and people are coming back people are saying yes they'd be open to it which means you can move to Phase three now as a disclaimer if you do phase two and you really rubbish and you're saying all the wrong words then you might think all this area's closed-minded it's not closed-minded its closed-minded to you because you're not very good because you haven't been trained so make sure that you possess if you haven't got the skills you got to be really persistent so that's really important rocket research is good just the supply and demand is showing positive you put feeders out and people are beginning to come back and they're interested then that's when you're going to move to phase three phase three is when you're gonna start putting some offers forward now when you put an offer full would always do what I call and if would offer I talked about this in another video you can check it out in the link above I talked about negotiations but phase three you're going to put if would offers which is if I was to give you five hundred pounds a month guaranteed rent and then I would then rent it out myself would that be something that you could work with as an if would offer it's not an here's my proposal it's if I could offer this on this basis would that be something that you could go with if when you start having people say yes boom shacka you've completed phase three phase three is you've now got some really hot leads all this deals on the table which is when you're gonna move into phase four phase four is when you're going to do your due diligence now market research and due diligence so for two different things market research tends to be if you're looking at the area as a whole if you're looking at a patch or strategy as a whole due diligence is when you're looking in and you're honing down to a particular person or particular house once you've done your market research the area is generally good you've put feelers out people are interested you then put forward some offers some if would offers and you've had people coming back saying yes then before you sign on the dotted line or anything like that you're then gonna move to phase 4 which is right this person has said that he's up for me paying him 500 pound a month and then me running it as a serviced accommodation or me them really good HMO I learned in my due diligence I've got to work out the legalities I've got to check if it's an apartment the head least I've got to make sure what I know that this area will rent out people do serviced accommodation rent to service accommodation without doing due diligence what happens is they end up paying someone's but they can't rent it themselves they're down each month big problem do your due diligence make sure that you're really honing on that particular property speak to people if it's a service accommodation speak to a vivo if it's a hmm speak to different HMO managers and make sure that you do due diligence on the property before you can move on to Phase five phase five is do a best case worst case breakdown workout I've done my due diligence I know that this is good but what is the worst case what if now be realistic when you do don't say what if I fall out with the landlord and then he comes around my house and kills me and my children because that's just that's just ridiculous you know or what if I do this and then my parents don't like that I'm successful and then and then they fall out with me like what's the worst case that could happen on this deal financially that could hurt me what's the worst case look at the worst case and then you just got to protect yourself if the worst case is that the worst case is that I will not be able to rent it out then put in a break clause in the agreement where you say look after three months or six months mr. landlord if I miscalculated this property and it's not renting out and this doesn't work at all as HMO I'd like the opportunity to be able to give you the keys back they'll be understanding of that if you've been up front from the first place and said you wonder when it's a HMO off them all I find is because they want they guaranteed rent they go yeah it would definitely work with HMO and they sell me on the idea they sell me they're the one that wants to rent the house out there the what the one's guaranteed rent don't feel like you're the dirty little person coming along trying to do something conniving no you're offering a great service so the landlord will often say to you yeah work and then you can say look I know you've said it will work I've spoke to different people who said it's gonna work but if for ever reason and I've miscalculated something and this particular property just doesn't work I just want to break claws just to make sure that I'm not and then after three months or six months after the break doors is done then for the rest of the term however long will turn might be three years five years you get you guaranteed rent the worst case might be something different the worst case might be that you are dealing with a landlord who's doing something illegal and you getting wrapped up in that case protect yourself get a solicitor bring a solicitor involved and just say look you know can you check over the legals whatever the worst case is whatever the biggest threat is that could potentially hurt you you want to get that covered there's always in business going to be risk the definition of an entrepreneur is someone that takes risks but you really want to prevent anything from happening that could harm you and you want it you want to protect yourself so best case worst case so market research the area put some feelers out to the agents and the landlords then put some if would offers and get some offers in principle then do you do diligence hone in on that particular house holding on that particular landlord make sure everything it's all good next number five best case worst case best its commit optimist right you want to be an optimist you want to be able to look look this is the best case but at the same time as a businessman you've got to be negative sometimes you look at the worst case protect yourself put break clauses implies to recover the worst case number six once you've done these five things is you want to put the paperwork together get the contracts ready now if you're doing a rent to rent you need a special contract you don't just rent it off the landlord on a normal AST and then put someone else in on an AST that's called subletting which is actually illegal seems to make sure it's done with a management agreement and you can you can purchase these or you can get a solicitor to draw them up or if you're one of my students or certainly one of my advanced students you have all these sort of stuff given to you but make sure that you have the right contract in place once you've done that number seven which is what that's when the work begins roll your sleeves up and start managing that property and make it the best property you can now what I often say to guys is rent to rent is usually it can be but it is usually not passive income rent - rent can be massive income but not normally passive income now there's always an exception to the rule if you get set it up with really good power teams in place and a really good management company in place but what I would say is when you're starting out if went to rent it's a great strategy if you've got no money but if you've got no money and you've got no time and you've got no income to work then being financially free and property he's going to be seriously hard if you've got no money but you've got the inclination and you've got the time to put in then you can do this and at that point number there's go to work make it the best running property in the game get some experience ready for your next property where you can buy it using someone else's money or you can raise the finance whatever it all save the money off the rent to rent but be prepared to work the people that make it do rent to rents are always the people that prepared to work don't get me wrong if you want a passive income and you've got money in the account you can you can do that but starting with no money at all and not having time and wanting to pay a deal source of three thousand pounds to give you a rent to rent that's going to make a grand a month it's just not realistic it's just not going to happen and by the way now there's some very good deal sources out there but I personally would not pay for a deal and I wouldn't pay for a rent to rent deal because I've gone out we have a property investors Academy of all my advanced students and at the end of the graduation I say raise your hand if you're financially for it by the way eighty six percent eighty six percent success result we have with the Academy which is really high by the way there's other people have done deals then we do this thing where we say what's been the biggest mistakes what's been the biggest lessons I've been the biggest amount of money that you've lost and we go around every single time people's biggest mistake is paying deal sources for rental rents so I'm not saying don't do that but be super careful my opinion is if you're going to do a renter rent do it yourself to get the learning off it and the money but don't expect it to be passive and don't expect it to be easy it is very doable you can get high cash flow you can retire offers let those three or four rental rent deals but just be prepared to work I know you are because you got to the end of this video so you've paid to put the time in so congratulations for that if you found this video helpful please share it also I do a video every single day and the reason I keep doing more videos is because I know that people are watching them and I know that people benefit from them so if you benefited please do let me know just drop a comment below and subscribe I'm trying to get hit my subscribers to one hundred thousand when that happens I'm gonna start doing some crazy stuff so thanks so much and I look forward to seeing you tomorrow on the next video you